

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

MAGNEQUENCH INTERNATIONAL, INC.,

Plaintiff,

v.

C.A. No. 04-135-GMS

SONY CORPORATION, SONY CORPORATION
OF AMERICA, SONY ELECTRONICS, INC.,
ACER INC., ACER AMERICA CORPORATION,
ASUSTEK COMPUTER INC., ASUS
COMPUTER INTERNATIONAL INC.,
I/OMAGIC CORPORATION, IOMEGA
CORPORATION, LG ELECTRONICS, INC., LG
ELECTRONICS USA, INC., LG INNOTEK
COMPANY, LTD., LG INNOTEK USA, INC.,
LITE-ON TECHNOLOGY CORPORATION,
LITE-ON TECHNOLOGY INTERNATIONAL,
INC., LITE-ON PERIPHERALS, INC., LITE-ON
INFORMATION TECHNOLOGY
CORPORATION, MEMOREX PRODUCTS
(TAIWAN) LTD., MEMOREX PRODUCTS, INC.,
MICRO-STAR INTERNATIONAL COMPANY,
LTD., MSI COMPUTER CORPORATION,
MITSUMI ELECTRIC COMPANY, LTD.,
MITSUMI ELECTRONICS CORPORATION,
TEAC CORPORATION, TEAC AMERICA, INC.,
AND VICTOR COMPANY OF JAPAN,
LIMITED,

Defendants.

**STIPULATION AND [PROPOSED] ORDER DISMISSING THIS ACTION WITHOUT
PREJUDICE AS TO THE DEFENDANTS TEAC CORPORATION AND
TEAC AMERICA, INC.**

IT IS HEREBY STIPULATED AND AGREED by and between plaintiff Magnequench International, Inc. ("Magnequench"), and defendants, TEAC Corporation and TEAC America, Inc. (collectively "TEAC"), by and through their undersigned counsel of record, that, pursuant to

Rule 41 of the Federal Rules of Civil Procedure, this action be and hereby is dismissed in its entirety without prejudice as to TEAC subject to the terms of the Settlement Agreement between Magnequench and TEAC, which has an effective date of July 8, 2005 ("Settlement Agreement"), and that each party shall bear its own costs and expenses, including attorney fees, incurred in connection with this action. Magnequench's Complaint with regard to the other defendants remains in effect unless and until specifically dismissed.

STIPULATED AND AGREED TO:

August 10, 2005

August 10, 2005

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Attorneys for Defendants
TEAC Corporation and
TEAC America, Inc.

Dated: _____

So Ordered: _____
United States District Judge